GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2691
ANSWERED ON:17.03.2006
NEW BANKS IN PRIVATE SECTORS
Gadhavi Shri Pushpdan Shambhudan

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has approved the proposal for setting up new Banks in the private sector;

(b) if so, the details of the proposals approved as on date;

(c) the total number of Banks in the private sector in each State as on date; and

(d) the reasons for granting liberal licences for the setting up of Banks in private sector?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) No, Sir. Reserve Bank of India (RBI) has not approved any proposal for setting up new banks in the private sector in the years 2005 and 2006.

(b) Does not arise.

(c) The state-wise details of number of private sector banks are as under:-

Sl.No.	State	Number of Banks
1	Maharashtra	10
2	Kerala	5
3	Tamil nadu	5
4	Uttaranchal	1
5	Karnataka	2
6	Gujarat	2
7	Goa	1
8	Jammu & Kashmir	1
9	Rajasthan	1

(d) In terms of RBI Press Release dated 30.01.2002, it is to consider inviting fresh applications for new banks in the private sector nly after three years from that date and after further reviewing the working of the private sxtor banks. RBI has not considered inviting fresh applications for setting up of new banks in the private sector so far.